



Town of Frederick
Board of Trustees Agenda
Frederick Town Hall
Board Chambers
401 Locust Street
Tuesday, December 8, 2015

6:30 P.M.
Meet and Greet
Alternate Municipal Court Officers

7:00 P.M.
Regular Meeting

Call to Order – Roll Call:

Pledge of Allegiance:

Approval of Agenda:

Liquor Licensing Authority:

Consent Agenda: Consent Agenda items are considered to be routine and will be enacted by one motion and vote. There will be no separate discussion of Consent Agenda Items unless an Authority member so requests, in which case the item may be removed from the Consent Agenda and considered at the end of the Consent Agenda.

1. Approval of October 27, 2015 Minutes – Meghan Martinez, Secretary

Action Agenda:

2. The Smokehouse, Inc. dba Georgia Boys Smokehouse Hotel and Restaurant License Renewal – Kristin Brown, Town Prosecutor

Special Presentations:

Comcast – Jon Lehmann, Senior Director, Government and Regulatory Affairs

Public Comment: This portion of the Agenda is provided to allow members of the audience to provide comments to the Town Board. Please sign in and the Mayor will call you. If your comments or concerns require an action, that item(s) will need to be placed on a later Agenda. Please limit the time of your comments to three (3) minutes.

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Staff Reports:

- A. Administrative Report – Matt LeCerf, Town Manager
- B. Town Clerk's Report – Meghan Martinez, Town Clerk
- C. Town Attorney's Report – Rick Samson, Town Attorney

Consent Agenda: Consent Agenda items are considered to be routine and will be enacted by one motion and vote. There will be no separate discussion of Consent Agenda Items unless a Board member so requests, in which case the item may be removed from the Consent Agenda and considered at the end of the Consent Agenda

- D. Approval of November 10, 2015 Minutes – Meghan Martinez, Town Clerk
- E. Approval of November 24, 2015 Minutes – Meghan Martinez, Town Clerk
- F. Acknowledgement of Receipt of List of Bills – Mitzi McCoy, Finance Director
- G. Ordinance 1214 Amending Chapter 2, Article X through XIV with Respect to Boards and Commissions – Rick Samson, Town Attorney

Action Agenda:

- H. Resolution 15R79 Approving the Lease with Civil Resources and Authorizing the Town Manager to Execute the Lease – Matt LeCerf, Town Manager

Recess to Urban Renewal Authority:

Mayor and Trustee Reports:

Executive Session: For discussion of a personnel matter under C.R.S. Section 24-6-402(2)(f) and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees; regarding the Town Clerk Annual Evaluation.

Work Session: General Discussion



TOWN OF FREDERICK LIQUOR LICENSING AUTHORITY

MEETING MINUTES

FREDERICK TOWN HALL, 401 LOCUST STREET

OCTOBER 27, 2015

Call to Order: At 7:01 Vice Chair Brown called the meeting of the Liquor Licensing Authority to order.

Roll Call: Present were Vice Chair Brown, and Authority Members Burnham, Schiers, Payne and Hudziak. Chairman Carey was not present. Also present were Town Prosecutor Kristin Brown, Authority Secretary Meghan Martinez, Town Manager Matt LeCerf, and Town Attorney Rick Samson.

Consent Agenda:

Motion by Authority Member Burnham and seconded by Authority Member Payne to approve the following items on the consent agenda:

1. September 22, 2015 Minutes

Upon roll call vote, motion passed unanimously.

Action Agenda:

Renewal of Hotel and Restaurant License for Pete's Place: Town Prosecutor Kristin Brown presented the renewal application. Applicant Tom Rizzi was present and addressed the Authority. Motion by Authority Member Schiers and seconded by Authority Member Skates to approve the renewal for Pete's Place. Upon roll call vote, motion passed unanimously

Public Hearing for a New Hotel and Restaurant License for Peel Pizzeria: Counsel Kevin Coates #25995, appeared as counsel for the applicant. Applicants Kevin Hepp, Jason Hepp, Patrick Hepp, John Hepp, and Joshua Jacobsen were present, sworn-in and addressed the Board regarding the application. Counsel Coates discussed the application and was available to answer any questions of the Authority. Town Prosecutor Kristin Brown addressed the Authority on the application.

At 7:04 Vice Chair Brown opened the public hearing.

The license requested is for a new hotel and restaurant license located at 214 5th Street.

Motion by Authority Member Hudziak and seconded by Authority Member Schiers to find that the applicant is of good moral character, the inhabitants of the neighborhood desire that the license be granted, the license will meet the reasonable requirements of the neighborhood, that all town requirements and the requirements of state law have been met and that, based on these findings, the local licensing authority approve issuance of the license applied for by Peel LLC dba Peel Pizzeria, in addition, move that the Liquor Authority direct the chair to execute the findings and order.

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Upon roll call vote, motion passed unanimously.

There being no further business of the Authority, Vice Chair Brown adjourned the meeting at 7:19 p.m.

Approved by the Liquor Licensing Authority:

ATTEST:

Tony Carey, Chair

Meghan C. Martinez, Secretary



TOWN OF FREDERICK MEMORANDUM

TO: Honorable Mayor Tony Carey and Board of Trustees

FROM: Meghan Martinez, Town Clerk

DATE: December 1, 2015

SUBJECT: Town Clerk Report

- *Liquor Licensing.*
 - Sidewinders Grille dba Savory Grille and Pub – The license was issued by the state and the Town on December 2, 2015
 - Reviewing renewal application for Glacier Liquors.
- *November 3, 2015 Coordinated Election.*
 - Received and reviewed all documents filed by issue committee for final FCPA deadline.
 - Forwarded information to DOLA related to the lodging tax.
- *April 5, 2015 Regular Municipal Election:*
 - Candidate Informational session scheduled for December 9, 2015 at 6:00 p.m.
 - Legal is reviewing the final election calendar and will be providing feedback.
- *Historic Preservation Commission.*
 - The commission will open the museum for the Festival of Lights on December 5, 2015.
- *Records Request*
 - Responded to two open records requests.
- *Business Licenses.*
 - Processing renewals, reviewing delinquent accounts, processing penalty billing.
- *Colorado Municipal Clerks Association*
 - Attended the IIMC Region 8 Clerk's Conference in Loveland.
 - Served on the Scholarship Committee as well as the Education Committee this year.

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255 Weaver Park Rd., Suite 200 - Longmont, Colorado
80501

POST OFFICE BOX 1079 80502-1079
T (303) 776-1169 - F (303) 776-5444
Samsonlongmontlaw.com

TO: Mayor and Trustees, Town of Frederick

FROM: Rick Samson

DATE: 12/2/15

RE: Status Report for November

-
- Attended Development Review Committee Meetings.
 - Attended Planning Commission Meeting.
 - Continued working outside counsel on litigation with Dacono
 - Reviewed Lease Agreement on Golf Course and prepared resolution to terminate the lease
 - Worked with Wally Grant to resolve issues regarding a building demolition.
 - Godding Hollow. Continued to work with attorney Robert Duncan, on service of process issues.
 - Reviewed Extraction Application to drill wells on Bybee property.
 - Reviewed site plan on East Village.
 - Reviewed Indian Peaks Medical Center development request.
 - Infinity Butane reviewed replat and rezoning request.
 - Reviewed Extraction Application to drill wells on Johnson property.
 - Planning Commission. Attended Planning Commission meeting.
 - Worked with engineering department on some code amendments.
 - Reviewed water lease agreement with Central Weld.
 - Prepared Resolution for Meghan on appointing election Judges and mail ballots.
 - Worked with Planning to vacate lot in Angel View, prepared deeds.
 - Worked with Lauren on contract with HR firm.
 - Worked with Planning on conservation easement issue.
 - cursory review of proposed Weld County 1041 Regulations.
 - Reviewed contract with Ward Electric relative to new construction.
 - Reviewed resubmittal for Parker Sheet Metal.
 - Worked with Planning and Wildflower on vesting issue.



TOWN OF FREDERICK BOARD OF TRUSTEES
REGULAR BOARD MEETING MINUTES
FREDERICK TOWN HALL, 401 LOCUST STREET
NOVEMBER 10, 2015

Call to Order: At 7:00 p.m. Mayor Carey called the meeting to order and requested roll call.

Roll Call: Present were Mayor Carey, Mayor Pro Tem Brown and Trustees Burnham, Hudziak, Payne, and Schiers. Trustee Skates was not present Also present were Town Manager Matt LeCerf, Town Attorney Rick Samson, and Town Clerk Meghan Martinez.

Pledge of Allegiance: Mayor Carey invited everyone to join in the Pledge of Allegiance.

Approval of Agenda: Town Manager Matt LeCerf requested removal of the executive session at the end of the agenda. Mayor Carey also noted that there was no need for the executive session scheduled for 6:30 p.m.

Special Presentations:

Frederick Firestone Fire Protection District: Chief Poszywak presented the quarterly update and was available to answer questions from the Board.

Public Comment:

Dick Wyatt, 3601 Morningside Circle, discussed recent security incidents in his subdivision related to some break-ins that his neighbors experienced. He requested additional visibility of police in area and had a few questions regarding the cases.

Weld County Commissioner Julie Cozad outlined her office hours for the rest of the year.

Representative Lori Saine gave an update related to her work at the capitol.

John Moffatt, 6905 Charity Court addressed the Board regarding the Angel View Subdivision Vacation.

Matt Falkum, 6903 Charity Court addressed the Board regarding the Angel View Subdivision Vacation.

Staff Reports:

Administrative Report: Town Manager Matt LeCerf provided a written report to the Board.

Town Clerk's Report: Town Clerk Meghan Martinez provided a written report to the Board.

Consent Agenda:

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Motion by Mayor Pro Tem Brown and seconded by Trustee Hudziak to approve the following items on the consent agenda:

1. October 27, 2015 Minutes
2. List of Bills
3. Resolution 15R77 Certify Various Liens to the Weld County Treasurer's Office for Inclusion in the Appropriate Tax Bill

Upon roll call vote, motion passed unanimously.

Action Agenda:

Resolution 15R75 Authorizing a Mail Ballot Election: Town Clerk Meghan Martinez presented the proposed resolution authorizing a mail ballot election for the April 5, 2016 Municipal Election. Motion by Trustee Burnham and seconded by Mayor Pro Tem Brown to approve Resolution 15R75. Upon roll call vote, motion passed unanimously.

Resolution 15R76 Delegating to the Town Clerk the Authority to Appoint Election Judges: Town Clerk Meghan Martinez presented the proposed resolution. Motion by Trustee Hudziak and seconded by Trustee Schiers to approve Resolution 15R76. Upon roll call vote, motion passed unanimously.

Public Hearing Proposed 2016 Budget:

At 7:33 Mayor Carey opened the public hearing

At 7:33 Mayor Carey closed the public hearing.

The final budget adoption was set for December 14, 2015 at 5:00 PM.

Public Hearing Consideration of Vacation of a Portion of Outlot E in Angel View Estates Subdivision:

Mayor Carey recused himself from this item.

Planning Director Jennifer Simmons presented the proposed Ordinance. John Moffat, 6905 Charity Court addressed the Board. Matthew Falkum and Debbie Falkum, 6903 Charity Court addressed the Board.

At 8:03 Mayor Pro Tem Brown opened the public hearing.

At 8:05 Mayor Pro Tem Brown closed the public hearing.

Motion by Trustee Burnham and seconded by Trustee Payne to approve Ordinance 1213. Upon roll call vote, motion passed 4-1 with Trustee Schiers voting no.

Discussion Agenda:

Organizational Operations: Mayor Carey discussed the Municipal Court and the necessity for a substitute prosecutor. Mayor Carey suggested that Town Attorney Samson serve as the substitute prosecutor.

Motion by Mayor Pro Tem Brown and seconded by Trustee Payne that in the necessity of having a substitute prosecutor that the Town Attorney would fill in. Upon roll call vote, motion passed unanimously.

Mayor Carey also discussed the appointment of a substitute judge. Mayor Carey requested the substitute judge that filled in appear before the board at an upcoming board meeting. There was much discussion regarding the court, substitute judge, and oversight of the court. The municipal court will be discussed at the work session on November 17, 2015.

Mayor and Trustee Reports:

Trustee Hudziak: Nothing at this time.

Trustee Burnham: Nothing at this time.

Mayor Pro Tem Brown: Nothing at this time.

Trustee Schiers: She asked to clarify the vacation item discussed earlier. She was not opposed to the item but she feels like the ball was dropped by the Town. Thank you for all the thoughts and prayers.

Trustee Payne: He attended the comprehensive plan meeting. It is a good group; they are providing good information and making good decisions on data. He encouraged the Board to attend future meetings.

Mayor Carey: He attended the Dacono board meeting and presented Mayor Sigman with a plaque from the Town. He was very appreciative of the thought.

There being no further business of the Board, Mayor Carey adjourned the meeting at 8:31 p.m.

Approved by the Board of Trustees:

ATTEST:

Tony Carey, Mayor

Meghan C. Martinez, Town Clerk



TOWN OF FREDERICK BOARD OF TRUSTEES
SPECIAL BOARD MEETING MINUTES
FREDERICK TOWN HALL, 401 LOCUST STREET
NOVEMBER 24, 2015

Call to Order: At 11:00 a.m. Mayor Carey called the meeting to order and requested roll call.

Roll Call: Present were Mayor Carey, Mayor Pro Tem Brown and Trustees Burnham, Skates and Schiers. Trustees Payne and Hudziak were not present. Also present were Town Manager Matt LeCerf and Town Clerk Meghan Martinez.

Pledge of Allegiance: Mayor Carey invited everyone to join in the Pledge of Allegiance.

Approval of Agenda: There were no changes to the agenda.

Public Comment: Mayor Carey announced that no one had signed up for public comment.

Action Agenda:

Resolution 15R78 Terminating the Lease with Jacob & Faythe, LLC for Operation of Bella Rosa Golf Course and Directing the Town Manager to Issue a Request for Proposal for a New Lease: Mayor Carey and Town Manager Matt LeCerf discussed the proposed resolution. Motion by Trustee Burnham and seconded by Mayor Pro Tem Brown to approve Resolution 15R78. Upon roll call vote, motion passed unanimously.

There being no further business of the Board, Mayor Carey adjourned the meeting at 11:08 a.m.

Approved by the Board of Trustees:

ATTEST:

Tony Carey, Mayor

Meghan C. Martinez, Town Clerk

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Town of Frederick-List of Bills
October 31,2015-November 25,2015

4 RIVERS EQUIPMENT LLC	Clip for backhoe	2,179.85
A - ONE CHIPSEAL COMPANY	Crack sealing & Mastic Sealing	39,848.50
A & R TREE AND LANDSCAPING	Tree removal & trimming around power lines	4,610.00
A KID'S PLACE	July- September billing	219.00
ACE HARDWARE OF FIRESTONE	Supplies	294.47
ADAMSON POLICE PRODUCTS	Police Equipment	1,214.41
ALSCO	Public Works Uniforms	240.36
ARIELMIS INC	Permit software troubleshooting	281.25
ARROW OFFICE EQUIPMENT, INC.	Office Supplies	1,205.51
ASPHALT SPECIALTIES CO INC	Pothole patching	130.98
AT&T MOBILITY	GPS Modem Service	41.70
B&L REPAIR	Oil change & new tires	501.37
BK TIRE, INC.	New tires	552.36
BLACK DIAMOND MEDIA PRODUCTIONS	Branding - video production	3,000.00
BMW CRAFTS	2015 Farmers Market perfect attendance rebate	-50.00
BOBCAT OF THE ROCKIES	Ramp for concrete	120.99
BOWMAN CONSTRUCTION SUPPLY	Bella Rosa-Culvert/Shoulder	304.54
C & L WATER SOLUTIONS	Hydrant Meter Refund	2,200.00
C & M AIR COOLED ENGINE INC	Equipment repairs-Bella Rosa Golf Course	2,408.43
CARBON VALLEY CAR WASH LLC	Vehicle Maintenance	110.02
CARBON VALLEY CHAMBER OF COMM.	November luncheon	12.00
CARD SERVICES	Supplies/Travel & Training	9,185.92
CASELLE, INC.	Contract Support & Maintenance	1,603.00
CENTRAL WELD COUNTY WATER DIST	Water Usage	109,908.69
CENTRAL WELD CTY WATER DIST	Water taps	230,000.00
CENTURYLINK	Phone/Fax Services	188.29
CENTURYLINK COMMUNICATIONS LLC	PD Analog and Fax line	49.65
CHEMATOX LABORATORY INC	Drug screen	225.00
CHOOSE PEOPLE	Culture Audit	7,500.00
CIRSA	Vehicle insurance change	63.00
CITY OF FORT COLLINS	Meter testing	168.00
CIVIL RESOURCES, LLC	Engineering Consulting Services	3,538.00
COLORADO INFRASTRUCTURE INC	Interim Culvert Improvements	9,259.80
COLORADO MUNICIPAL LEAGUE	2016 Membership Dues	2,074.00
COMCAST CABLE	Phone/Internet Service	453.87
COMMUNITY PET HOSPITAL	K-9 Supplies	193.52
CONSTRUCTION DIMENSIONS LLC	Hydrant Meter Deposit Refund	2,200.00
COREN PRINTING INC	Forms	109.32
CUNEY REAL ESTATE SERVICES	Urban Renewal Services	1,275.00
DANA KEPNER CO	Water Meter Supplies	38,770.03
DAVID BAUMHOVER	Detective clothing allowance	375.18
DBC IRRIGATION SUPPLY	Crist Park Tank	71.15
DEFALCO CONSTRUCTION COMPANY	Additional labor & admin costs	2,869.00
DIVERSIFIED SERVICE SYSTEMS INC	Cleaning services for Nov 2015	2,210.00
DOMINO'S PIZZA	Restitution	45.00
ELSTER SOLUTIONS LLC	Monthly fee for managed services	7,623.50
EWING AUTO PARTS INC.	Shop supplies	34.55

Town of Frederick-List of Bills
October 31,2015-November 25,2015

FAIRFIELD AND WOODS PC	Legal-Code Revisions	11,862.21
FARIS MACHINERY COMPANY	Equipment	1,004.00
FASTENAL COMPANY	Equipment	18.15
FELSBURG HOLT & ULLEVIG, INC.	Legal services	1,813.17
FLEX MAGIC CONSULTING INC	POP Consulting	175.00
FP MAILING SOLUTIONS	Qrtly payment for meter rental	111.00
FREEDOM MAILING SERVICES LLC	Utility Bills	2,401.70
GEORGIA BOYS SMOKEHOUSE	Miners Day volunteer food vouchers	353.00
GRAFIX SHOPPE	Downtown Banners	3,713.52
GREEN MILL SPORTMAN'S CLUB	Range use	300.00
GREEN MOUNTAIN PROMOTIONS	Swag	1,461.80
HD SUPPLY WATERWORKS LTD	Crist Park water tank supplies	1,443.70
HENRIETTA SCHRECENGOST	Refund Overpayment	106.57
INTERSTATE FORD	Vehicle & Equipment Repairs	870.39
J.P. COOKE COMPANY	Dog tags	83.84
JEFF CAHN INC	Judge Services	1,200.00
JOHN DEERE FINANCIAL	Equipment	59.98
JOHNNY GREEN	Electric Rebates	100.00
KEVIN D. SHEA SR/WA	Appraisal letter	4,964.00
KINSCO LLC	Patches	57.29
KRISTIN NORDECK BROWN P.C.	Prosecution Services	2,534.00
L.G. EVERIST INC	Class 6 Road Base	218.47
L.L. JOHNSON DISTRIBUTING COMPANY	Parts for mowers	23.06
LISA KAY DAVIS DEMATTEI	Community Canvas Project	1,300.00
LONGMONT HUMANE SOCIETY	Animal impound fees	991.67
LONGS PEAK EQUIPMENT COMPANY	Supplies	545.50
LONGS PEAK LANDSCAPE INC	Landscaping improvements	31,992.66
MAIL SOLUTIONS & PRINTING	Deck the Downtown posters	26.90
MARGO FISH	2015 Farmers Market perfect attendance rebate	50.00
MARTINEZ CONTRACTORS	Crist Park Restroom/Raw Water Project	7,594.00
MASTER LOCKSMITH & SAFE SERVICE	Lock repairs	84.00
MATTHEW BENDER & CO INC	Training supplies	73.31
MELANIE GOODSON	Electric Solar System rebate	848.00
MELODY HOMES	Sidewalks in subdivision	4,736.82
NEW CONSOLIDATED LOWER BOULDER RES.	Equipment & Lic. Agreement	6,373.26
O.J. WATSON COMPANY INC	Equipment install on PW Truck	7,807.00
O'REILLY AUTOMOTIVE INC	Supplies	1,601.72
PARAGON GRAPHICS & PRINTING	Business Cards	110.00
PET PICK-UPS	Bone mitts	810.48
PINNACOL ASSURANCE	Worker's Comp Claim	500.00
POLICE EXECUTIVE RESEARCH FORUM	Membership fees	200.00
PRAIRIE MOUNTAIN PUBLISHING LLP	Publishing	493.08
PRI MANAGEMENT GROUP	Seminar	195.00
PRODUCTIVITY PLUS ACCOUNT	Kubota equipment	4,276.34
RAMEY ENVIRONMENTAL COMPLIANCE	Pump House motor repairs	2,775.50
REDI SERVICES LLC	Monthly Servicing of Porta Johns	370.00
REIF & HUNSAKER PC	October consulting	1,380.00

Town of Frederick-List of Bills
October 31,2015-November 25,2015

RICHMOND AMERICAN HOMES	Refund Overpayment	6.23
SAFETY & CONSTRUCTION SUPPLY INC	Safety Supplies	455.21
SAFEWAY	Supplies	93.38
SAMANTHA R PALESTRO	Community Canvas Project	1,300.00
SAM'S CLUB / GECRB	Supplies	835.83
SAMSON LAW FIRM	Fred/Retainer	11,500.00
SHIRCO PRODUCTS	Stamps	198.40
SHONDA JOBE	Electric Rebates	125.00
SOLOMON CORPORATION	Project work	4,250.00
SOURCE GAS	Gas Utility	1,078.14
STARKOVICH LAW, LLC	Special Prosecutor	33.75
STEWART TITLE	Refund Overpayment	15.12
STRIGLOS COMPANIES, INC.	Computer replacement	1,384.00
TELOS ONLINE	PW building wireless service	309.99
THE LAW OFFICE OF ROBERT R. DUNCAN LLC	Legal services	3,810.64
THE NAKED HANGER	Uniform cleaning	176.00
THE TREE FARM	Tree Vouchers	400.00
TIMBERLAN	Disaster Recovery & Backup	6,471.25
TLO LLC	Investigation fee	70.50
TRACTOR SUPPLY CREDIT PLAN	Equipment	14.76
TRANSWEST TRUCK	Equipment repairs	57.70
TYLER SCHWARTZKOPF	Board Meeting Recordings (3)	90.00
U.S. POSTAL SERVICE (CMRS-FP)	Postage for meter machine	500.00
UMB BANK, NA	Frederick Sales & Use Tax Ser 2015	386,647.77
UME CUSTOM EMBROIDERY & IMPRINTING LLC	Frederick Banner	62.82
UNIFIRST CORPORATION	Mat Services	220.00
UNITED POWER	Electric Utility	143,306.37
UNITED STATES POSTAL SERVICE	Postage for Contractors Lic. Renewal forms	294.00
UNIVERSITY OF COLORADO	Water Distribution Class	705.00
UPPER CASE PRINTING, INK.	Newsletter printing	851.00
USA BLUE BOOK	Training supplies	186.84
UTILITY NOTIFICATION CENTER OF COLORADO	Utility Locates	529.10
UTILITY SALES & SERVICE INC	Elster meter installs/Contract Meter reading	951.36
VARRA COMPANIES INC	Concrete	741.50
VERIZON WIRELESS	Wireless services	1,387.47
W.L. CONTRACTORS, INC.	Monthly Maintenance Fee	157.50
WARD ELECTRIC COMPANY INC	Electric O & M	26,042.79
WARD ENGINEERING INC	Engineering Services	1,688.68
WASTE CONNECTIONS OF COLO INC	Trash Collection	42,173.25
WESCO DISTRIBUTION	Electric Supplies	1,539.41
WESTERN UNITED ELECTRIC SUPPLY CORP	Electrical Supplies	275.48
WILLARD HARDESTY	Substitute Judge	160.00
WORKWELL OCCUPATIONAL MEDICINE	Evaluation	335.00
WRIGHT EXPRESS	Fuel	4,958.24
WYNDHAM HILL METROPOLITAN DIST NO.1	Traffic light at WCR 7 & Hwy 52	30,850.61
ZACHARY STARBECK	Bond Refund	395.00

Town of Frederick-List of Bills
October 31,2015-November 25,2015

Grand Total:

1,277,064.39



TOWN OF FREDERICK BOARD OF TRUSTEES ACTION MEMORANDUM

Tony Carey, Mayor

Laura Brown, Mayor Pro Tem
Rafer Burnham, Trustee
Fred Skates, Trustee

Amy Schiers, Trustee
Gavin Payne, Trustee
Donna Hudziak, Trustee

A Resolution Approving a Lease between the Town of Frederick and Civil Resources, LLC

Agenda Date:

Town Board Meeting - December 8, 2015

Attachments:

- a. Resolution 15-R-79
- b. Lease Agreement

Finance Review:

Finance Director

Submitted by:



Town Manager

Approved for Presentation:



Town Manager

☐ Quasi-Judicial

☐ Legislative

☒ Administrative

Summary Statement:

Enclosed for consideration is a new lease between the Town of Frederick and Civil Resources, LLC for the property located at 323 5th Street. The facility is approximately 3,400 square feet with part of it finished and part of it unfinished.

Detail of Issue/Request:

Due to current economic conditions, Civil Resources, LLC was provided notice in June that the Town desired to terminate its lease on the current Town owned facility at 323 5th Street. As provided in the agreement, 120 days notice was provided as required. The letter also stated that the Town would be willing to entertain a new lease, but that the current one in effect was not cost effective for the Town. Under the old lease, the Town receiving the following revenues and expenses as detailed below. This does not include any of the other notable costs that the Town has incurred overtime including the replacement of a water heater and ancillary repairs related to the water damage caused to the facility or the need to replace the HVAC unit about 1 ½ years ago.

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Revenue	Amount (Fixed)	Expenses	Amount (average)
Rent (monthly)	\$2,145.00	Sewer (monthly)	\$38.85
		Water & Electric	\$270.00
		Gas	\$87.00
TOTAL	\$2,145.00	TOTAL	\$395.85

As shown above, the Town paid for all utilities in this agreement. Based on this information, under the old lease agreement, our monthly net revenue was \$1,749.15 or \$20,989.80 annually assuming there were no repairs necessary throughout a year.

The proposed new lease would generate approximately \$750.00 per month additional revenue. This is based on the terms of the contract that set the rent at \$2,500.00 monthly and the tenant is responsible for all utilities in this new lease agreement and some improvements and maintenance as well as any property taxes that may be levied against the property for possessory interest.

The agreement presented would be for a 5 year term and currently does not contain termination clause by which the Town could end the contract if the visions and direction of the organization change. One consideration for this is because of possible tenant improvements and the desire to receive the value of this investment.

Legal Comments:

The lease and the resolution were reviewed and drafted respectively by the Town Attorney.

Alternatives/Options:

- The Board could choose not to approve the lease as presented.
- The Board could ask that other provisions be included in the lease as directed to the Town Manager.

Financial Considerations:

Financially, this is a much better lease option compared to the previous agreement we had in place. Rents are much higher than when this agreement was first initiated.

Staff Recommendation:

Approve the Resolution as presented to the Board to be effective January 1, 2016.

**TOWN OF FREDERICK, COLORADO
RESOLUTION NO. 15-R-79**

**A RESOLUTION OF THE TOWN OF FREDERICK, COLORADO, APPROVING
LEASE WITH CIVIL RESOURCES, LLC AND AUTHORIZING THE TOWN
MANAGER TO EXECUTE THE LEASE**

WHEREAS, the Town has leased to Civil Resources, LLC the following described property:
Lots 21, 22, 23 and 24, Block 18 also known as 323 Fifth Street, Frederick, Colorado since 2006;
and

WHEREAS, Civil Resources, LLC wishes to extend the lease for an additional five years until
2021; and

WHEREAS, the Board of Trustees approves the lease effective January 1, 2016 and authorizes
Matthew S. LeCerf, Frederick Town Manager to execute the lease.

**BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF FREDERICK,
COLORADO, AS FOLLOWS:**

1. The lease with Civil Resources, LLC effective January 1, 2016 is approved.
2. Matthew S. LeCerf, Frederick Town Manager is hereby authorized to execute the Lease with
Civil Resources, LLC.

INTRODUCED, READ, PASSED, AND SIGNED THIS 8TH DAY of DECEMBER, 2015.

ATTEST:

TOWN OF FREDERICK

By _____
Meghan C. Martinez, Town Clerk

By _____
Tony Carey, Mayor

COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement ("Lease") is made and effective this ____ day of _____, 2015, by and between **the Town of Frederick, Colorado** ("Landlord") and **Civil Resources, LLC.** ("Tenant").

Landlord is the owner of land and improvements located in Weld County, State of Colorado, commonly known and numbered as 323 Fifth Street, Frederick, Colorado, which Tenant seeks to rent the "Leased Premises").

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. **LEASE TERM.** The Lease will start on January 1, 2016 and will continue for five (5) years. The Tenant may only terminate their Lease on the last day of December of each year and the Landlord must receive a written notification of non-renewal at least 60 days prior to the last day of that month. If the Tenant does not provide the Landlord with a written 60 day notice, they shall forfeit their full deposit amount.

2. **Lease Payment.** Tenant agrees to pay to Landlord as rent for the Premises the annual sum of \$30,000 payable in equal monthly installments on the 1st day of each month at P.O. Box 435, Frederick, Colorado 80530 or at any other address designated by Landlord. If the Lease Term does not start on the 1st day of the month or end on the last day of a month, the first and last month's rent will be prorated accordingly. After the second year, the monthly rent shall be increased by the greater of 3% or the Boulder/Denver CPI.

3. **Late Charges.** Rent is due on the 1st of each month. If any or all of the rent is not received by the 5th of the month, \$10 per day will be charged as late fees until full rental payment is received. If rent is not received by the 10th of the month, Tenant will be considered in breach of the Lease Agreement and eviction proceedings will be initiated.

4. **Insufficient Funds.** Tenant agrees to pay the charge of \$25 for each check given by Tenant to Landlord that is returned to Landlord for lack of sufficient funds.

5. **Security Deposit.** Tenant has deposited and will keep on deposit at all times during the Term with Landlord a security deposit (the "Deposit") in the amount of **Two Thousand Five Hundred Dollars (\$2,500.00)** as security for the payment and performance of Tenant's obligations under this Lease, including but not limited to payment of all Rent due under the terms hereof. Landlord shall not owe Tenant any interest on the Deposit. At Landlord's election, deductions may be made by Landlord from the amount so retained for the reasonable cost of repairs to the Premises which should have been performed by Tenant, for any Lease Payment, or any other sum delinquent under the terms hereof, and for any sum used by Landlord in any

manner to cure any default in the performance of Tenant under the terms of this Lease. In the event deductions are so made during the Term, upon notice by Landlord, Tenant shall redeposit such amounts so expended so as to maintain the Deposit in the amount as herein provided for, within 10 days after receipt of such written demand from Landlord. Nothing herein contained shall limit the liability of Tenant as to any repairs or maintenance of the Premises; and nothing herein shall limit the obligation of Tenant promptly to pay all sums otherwise due under this Lease and to comply with all the terms and conditions hereof. If the entire Deposit has not been utilized, the remaining amount will be refunded to Tenant or to whoever is then the holder of Tenant's interest in this Lease, without interest, within 30 days after full performance of this Lease by Tenant.

6. Use. Tenant shall have 30 days from the date of possession of the property to accept the property in its current condition assuming the HVAC system, Electrical system, Mechanical systems and the roof are in good condition. Landlord agrees to fix any of the property not found to be in good condition by the tenant within those 30 days. Tenant shall use the Leased Premises for its executive offices. Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substances, chemicals, or devices.

7. Assignment and Sublease. Tenant shall not assign or sublease any interest in this Lease without prior written consent of the Landlord, which consent shall not be unreasonably withheld. Any assignment or sublease without Landlord's written prior consent shall, at Landlord's option, terminate this Lease.

8. Repairs. During the Lease term, Tenant shall make, at Tenant's expense, all necessary or desired repairs to the Leased Premises. Repairs shall include such items as routine repairs of floors, walls, ceilings, and other parts of the Leased Premises damaged or worn through normal occupancy, except for major mechanical systems or the roof, subject to the obligations of the parties otherwise set forth in this Lease.

9. Alterations and Improvements. Tenant, at Tenant's expense, shall have the right following Landlord's written consent to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

10. Property Taxes. Tenant shall be responsible for paying all taxes assessed as a result of or during its tenancy.

11. Insurance. Landlord and Tenant shall each be responsible to maintain appropriate insurance for their respective interests in the Premises and property located on the Premises. Tenant understands that Landlord will not provide any insurance coverage for Tenant's property. Landlord will not be responsible for any loss of Tenant's property, whether by theft, fire, riots, strikes, acts of God or otherwise. Landlord requires Tenant to obtain renter's insurance or other similar coverage to protect against risk of loss including personal injury naming the Town as an additional insured

12. Utilities. Utilities shall be paid by Tenant

13. Signs. Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Landlord, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

14. Entry. Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises. Landlord will attempt to give 24 hours' notice prior to any inspection.

15. Damage to Premises. If the Premises or part of the Premises are damaged or destroyed by fire or other casualty not due to Tenant's negligence, the rent will be abated during the time that the Premises are uninhabitable. If Landlord decides not to repair or rebuild the Premises, then this Lease shall terminate and the rent shall be prorated up to the time of the damage. Any unearned rent paid in advance shall be refunded to Tenant.

16. Tenant Obligations. Tenant shall be solely responsible for the following:

a. The operation, repair and maintenance, in neat, clean, good order and condition of the parking areas, utility rooms, loading and unloading areas, trash areas, sidewalks, walkways, parkways, driveways, landscaped areas, striping, bumpers, irrigation systems, lighting facilities, fences and gates, roofs, and exterior walls, including paint; exterior signs, awnings, any tenant directories, and fire detection, sprinkler systems.

b. The cost of water, gas, electricity and telephone provided to service either the Building and/or the Premises.

c. Snow, ice and debris removal service, and security services and the costs of any environmental inspections beyond what the Town believes is necessary.

d. Cost of capital improvements desired by the Tenant and approved by the Landlord including, structural repairs and replacements in or to the Building, which shall be amortized at a market rate of return over the useful life of such item as determined by Landlord's accountants.

e. Reimbursing the Landlord for real property taxes paid by Landlord for the property during Tenant's tenancy of the property.

16. Default. If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for five (5) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

17. Quiet Possession. Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

18. Condemnation. If any legally constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

19. Subordination. Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and Tenant agrees upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request.

20. Notice. Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord to:

Matt LeCerf
Town Manager
PO Box 435
Frederick, CO 80530

If to Tenant to:

Civil Resources, LLC
Brad Hagen
PO Box 680
Frederick, CO 80530

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

21. Waiver. No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

22. Successors. The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

23. Breach by Tenant. Tenant shall be in breach of this Lease if any time during the term of this Lease (and regardless of the pendency of any bankruptcy, reorganization, receivership, insolvency or other proceedings in law, in equity or before any administrative tribunal which have or might have the effect of preventing Tenant from complying with the terms of this Lease):

a. Tenant fails to make payment of any Lease Payment, or any other sum herein specified to be paid by Tenant, and such failure is not cured within ten (10) days after Landlord's written notice to Tenant of such failure of payment;

b. Tenant fails to observe or perform any of its other covenants, agreements or obligations hereunder, and such failure is not cured within ten (10) days after Landlord's written notice to Tenant of such failure;

c. Tenant commits a substantial violation of the lease as defined in C.R.S. §13-40-107.5.

d. Tenant voluntarily files a petition under any section or chapter of the Federal Bankruptcy Code, as amended, or under any similar law or statute of the United States or any state thereof, or Tenant is adjudged bankrupt or insolvent in proceedings filed against Tenant thereunder, becomes insolvent, makes a transfer defrauding its creditors, or makes an assignment for the benefit of its creditors;

24. Remedies of Landlord. If Tenant breaches this Lease before the end of the Lease Term, or if its right to possession is terminated by Landlord because of Tenant's breach of this Lease, Landlord shall have the option to terminate this Lease. In addition, in the event of such breach, Landlord may recover from Tenant each of the following:

a. Notwithstanding the foregoing, in the event Tenant has breached this Lease, at Landlord's option, this Lease shall continue in full force and effect so long as Landlord does not terminate Tenant's right to possession of the Premises, and in such event Landlord may enforce all of its rights and remedies under this Lease, including the right to recover rent as it becomes due. For purposes of this subparagraph, the following acts by Landlord shall not constitute the termination of Tenant's right to possession of the Premises: (a) Acts of maintenance, preservation or efforts to relet the Premises, including, but not limited to, alterations, remodeling, redecorating, repairs, replacement and/or painting as Landlord shall consider advisable for the purpose of reletting the Premises or any part thereof; and/or (b) The appointment of a receiver upon the initiative of Landlord to protect Landlord's interest under this Lease or in the Premises.

b. Landlord hereunder shall have the benefit of, and the right to, any and all Landlord's liens provided under the law of the State of Colorado. Any efforts by Landlord to mitigate the damages caused by Tenant's breach of this Lease shall not waive Landlord's right to recover the damages set forth above.

c. No right or remedy conferred upon or reserved to Landlord in this Lease is intended to be exclusive of any other right or remedy granted to Landlord by statute or common law, and each and every such right and remedy shall be cumulative. The voluntary act or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger and shall, at the option of Landlord, terminate all or any existing sublease and/or subtenancies, or may, at the option of Landlord, operate as an assignment to it of any or all of such sublease or subtenancies.

25. Compliance with Law. Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises. This Lease shall be governed by and construed in accordance with the laws of the State of Colorado, and venue in any suit shall be in District Court, Weld County. Tenant specifically agrees to comply with Town ordinances regarding business licenses before beginning operations.

26. Final Agreement. This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

Landlord:
Town of Frederick

Tenant:
Civil Resources, LLC.

By _____
Matthew S. LeCerf, Town Manager

By _____
Brad Hagen, Member

EXHIBIT A
To Lease of 323 Fifth Street, Frederick, Colorado
Personal Guarantee

As a material inducement to Lessor to enter into the Lease, dated the 15th day of December, 2006, (the "Lease"), between the Town of Frederick, Colorado as "Lessor", Brad Hagen ("Guarantor") jointly and severally hereby unconditionally and irrevocably guarantees the complete and timely payment of all financial and monetary obligations of Lessee under the Lease and any extensions or renewals of and amendments to the Lease. The Guaranty is an absolute, primary, continuing and general guaranty of payment and performance and is independent of Lessee's obligations under the Lease. Guarantor waive any right to require Lessor to (a) join Lessee with Guarantor in any suit arising under this Guaranty, (b) proceed against or exhaust any security given to secure Lessee's obligations under the Lease, or (c) pursue or exhaust any other remedy in Lessor's power. Lessor may, without notice or demand and without affecting Guarantor liability hereunder, from time to time, compromise, extend or otherwise modify any or all of the terms of the Lease. Guarantor hereby waive all demands for performance, notices of performance, and notices of acceptance of the Guaranty. The liability of Guarantor under this Guaranty will not be affected by (i) the release or discharge of Lessee from, or impairment, limitation or modification of Lessee's obligations under the Lease in any bankruptcy, receivership, or other debtor relief proceeding, whether state or federal and whether voluntary or involuntary; (ii) the rejection or disaffirmance of the Lease in any such proceeding; or (iii) the cessation from any cause whatsoever of the liability of Lessee under the Lease. Guarantor shall pay to Lessor all cost incurred by Lessor in enforcing this Guaranty (including, without limitation, reasonable attorneys' fees and expenses).

GUARANTOR:

Brad L. Hagen